

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: AMENDMENTS TO TELEPHONE SERVICE REGULATIONS [199 IAC 22]	DOCKET NO. RMU-2014-0003
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**INFORMATION ORDER AND
ORDER REQUESTING RESPONSES**

(Issued May 30, 2014)

On April 25, 2014, Governor Branstad signed into law Senate File 2195, which amends various sections of Iowa Code chapters 476 and 477 in response to an increasingly competitive telecommunications industry in Iowa. One of the amendments resulting from the enactment of Senate File 2195 is the elimination of retail tariff requirements for local exchange carriers (LECs). This new law, which will be codified in Iowa Code § 476.2, takes effect on July 1, 2014, and requires telephone utilities to file tariffs only for wholesale services on or before January 1, 2015. Therefore, during a transition period between July 1, 2014, and January 1, 2015, all LECs should withdraw their local exchange retail tariffs.

The Board's rules regarding the provision of telecommunications services in 199 IAC chapter 22 contain multiple references to retail tariffs and retail tariff requirements. These rule provisions must be amended in order to implement the new provisions of § 476.2. The Board will be initiating a rulemaking proceeding to address these changes, but notes that some carriers may choose to withdraw their

retail services tariffs before the Board can complete a rulemaking proceeding.

Therefore, the Board is issuing this order to provide some direction for carriers that elect to begin removing their local exchange retail tariffs prior to the effective date of any new rules.

Between July 1, 2014, and January 1, 2015, each LEC should file a notice with the Board expressing its intent to withdraw its retail tariff. Upon receipt of a notice in the Board's electronic filing system, it will receive a "TF" docket number and its classification will be changed from "current" to "withdrawn." Within 30 days of the date a notice is filed, the Board's telecommunications staff will send a letter to the carrier confirming that the retail tariff has been withdrawn.

New applications for local exchange telephone certificates of public convenience and necessity pursuant to § 476.29, even those applications filed prior to July 1, 2014, should no longer include a proposed local exchange tariff. Iowa Code § 476.29(2) requires the Board act on applications for certificates within 90 days of the date the application is filed. Any application filed after the date of this order would be approved after the July 1, 2014, effective date for SF 2195, thereby making it unnecessary for new LECs to file local exchange tariffs in conjunction with their applications.

Once a local exchange tariff is withdrawn, LECs are expected to make the rate and service information previously included in those tariffs accessible to customers by providing that information in another medium. For example, a list of the

exchanges where an LEC provides service, or the LEC's customer service rules, could be made available on a company's Web site or in an online catalog. The Board notes that the filed tariff doctrine will no longer make these customer service rules automatically binding on customers. Each LEC will need to take additional steps to achieve that result, such as entering into a customer service agreement with each customer.

The Board also notes that SF 2195 requires LECs to continue to provide notices to customers of changes in rates, even though intrastate retail rates are no longer regulated in Iowa. The Board will require sufficient information to ensure this requirement is being met. Therefore, LECs should continue to provide information regarding rate or service changes to the Board, along with copies of notices that have been sent to customers informing them of the rate changes.

The Board will be initiating a rulemaking proceeding to remove references to local exchange tariffs in its telecommunications rules in 199 IAC chapter 22. In addition to the removal of local exchange tariff requirements, there are other telecommunications service issues that may be addressed in this rule making due to the changes brought about by SF 2195. One example may be the inclusion of minimum customer service standards and liability limits in the Board's rules to compensate for the removal of similar language that has usually been included in a local exchange retail tariff.

Moreover, there are rules in 199 IAC chapter 22 that have become obsolete since the Board's last general telecommunications rulemaking proceeding in Docket No. RMU-2008-0006. For example, the Board's intrastate access rules in 199 IAC 22.14(2) continue to provide that a three cents per minute carrier common line charge (CCLC) may be assessed on both originating and terminating exchange access traffic. However, the Federal Communications Commission has prohibited the use of a terminating CCLC and may do the same with the originating CCLC. It is likely that there are other rules in 199 IAC chapter 22 that are in need of revision due to changes in the telecommunications industry and the Board welcomes industry input before initiating a rulemaking proceeding.

The Board requests responses from all interested telecommunications providers to advise the Board of any relevant considerations associated with the implementation of SF 2195 and the removal of local exchange retail tariffs from the Board's rules. In addition, the Board requests responses regarding any other necessary or beneficial rule changes in 199 IAC chapter 22 that may result from changes in the telecommunications industry. Responses shall be received on or before June 20, 2014. All information received will be considered when the Board issues a notice of proposed rulemaking at a later date.

Questions or concerns about the withdrawal of local exchange retail tariffs or the responses regarding additional changes to 199 IAC chapter 22 should be directed to the following staff members:

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IT IS THEREFORE ORDERED:

The Board requests responses in this docket from all interested telecommunications service providers regarding the issues addressed in this order on or before June 20, 2014.

UTILITIES BOARD

/s/ Elizabeth S. Jacobs

/s/ Nick Wagner

ATTEST:

/s/ Joan Conrad
Executive Secretary

/s/ Sheila K. Tipton

Dated at Des Moines, Iowa, this 30th day of May 2014.